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FOREIGN BROADCAST INFORMATION BRANCH  
2430 E Street, N. W.  
Washington 25, D. C.

1 July 1948

Chief, Hawaii Bureau  
Foreign Broadcast Information Service  
P. O. Box FF  
Kekaha, Kauai, T.H.

Dear Joe:

Receipt of your letter dated 21 June 1948 is acknowledged. Contacts with the Army Signal Corps here in Washington indicate that the Army expects to negotiate a sale of its Kauai cable facilities to the Mutual Telephone Company in the near future. If and when this sale is negotiated, Mutual will, according to the Army Signal Corps in Washington, be ready to take over all Kauai/Oahu teletype communications, including the Army's traffic, which, of course, is at present negligible. The Army will then dismantle its KRC station.

The Army Signal Corps maintains that the operation of the KRC station costs the Government considerably more than it will cost F.B.I.C. and the Army to buy this service from Mutual. If the Army actually does sell its cable facilities and if Mutual is able to furnish us at least comparable service to that presently furnished by the Army, we shall probably be obliged to use the Mutual facilities. We are advised by the Army Signal Corps that they expect to provide the link between the Mutual receiving station on Oahu and the Army's Halemano station.

In view of the foregoing, it is my desire that you explore without delay all aspects of this possible change and forward your comments and recommendations to me at the earliest possible date. In your discussions it is my desire that you make it clear that we object to making this change, that we prefer that the Army continue to service us, and that we are prepared to go to Mutual only if Army actually discontinues its service. I should caution you that this matter has not yet been thrashed out on a high level, i.e., between the Director of Central Intelligence and the Army, but is still in the discussion stage between F.B.I.C. and representatives of the Army Signal Corps.

Sincerely,

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integrated file. NAME CHECK required  
prior to individual classification action.

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L. K. White

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